

Translation

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Summary of Non-Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 8, 2024

Company name: ALPHA SYSTEMS INC.
 Stock exchange listing: Tokyo
 Stock code: 4719 URL <https://www.alpha.co.jp/>
 Representative: President Kiyoshi Saito
 Inquiries: Senior Managing Director Kazuhiro Kubota TEL 044-733-4111
 Scheduled date to file Quarterly Securities Report: February 13, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	26,839	1.8	3,381	8.6	3,435	8.6	2,335	8.2
Nine months ended December 31, 2022	26,352	6.7	3,114	6.4	3,162	6.5	2,158	6.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	166.34		–	
Nine months ended December 31, 2022	153.77		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	49,361	41,138	83.3
As of March 31, 2023	48,166	39,775	82.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	–	35.00	–	35.00	70.00
Year ending March 31, 2024	–	35.00	–	–	–
Year ending March 31, 2024 (Forecast)	–	–	–	65.00	100.00

3. Forecast of non-consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	36,000	1.3	4,300	2.0	4,360	1.9	2,940	0.7	209.42

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	14,052,400 shares	As of March 31, 2023	14,052,400 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	13,458 shares	As of March 31, 2023	13,235 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	14,039,068 shares	Nine months ended December 31, 2022	14,039,284 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	23,042,284	25,161,440
Accounts receivable and contract assets	8,529,639	7,483,751
Securities	999,953	1,499,928
Work in process	3,812	6,405
Other	257,259	262,418
Total current assets	32,832,948	34,413,944
Non-current assets		
Property, plant and equipment		
Buildings, net	4,063,210	3,982,332
Land	5,173,538	5,173,538
Other, net	105,022	116,489
Total property, plant and equipment	9,341,770	9,272,360
Intangible assets	21,897	22,158
Investments and other assets		
Investment securities	1,589,754	1,606,903
Other	4,381,437	4,051,318
Allowance for doubtful accounts	(1,000)	(5,239)
Total investments and other assets	5,970,191	5,652,981
Total non-current assets	15,333,860	14,947,500
Total assets	48,166,808	49,361,445
Liabilities		
Current liabilities		
Accounts payable - trade	1,293,083	1,291,962
Income taxes payable	797,188	177,658
Provision for bonuses	1,261,292	726,843
Provision for bonuses for directors (and other officers)	–	111,000
Other	3,614,549	4,594,161
Total current liabilities	6,966,113	6,901,625
Non-current liabilities		
Provision for retirement benefits	1,186,313	1,092,901
Other	239,147	228,010
Total non-current liabilities	1,425,460	1,320,911
Total liabilities	8,391,574	8,222,537
Net assets		
Shareholders' equity		
Share capital	8,500,550	8,500,550
Capital surplus	8,647,050	8,647,050
Retained earnings	22,615,809	23,968,290
Treasury shares	(39,334)	(40,042)
Total shareholders' equity	39,724,074	41,075,848
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	51,159	63,060
Total valuation and translation adjustments	51,159	63,060
Total net assets	39,775,233	41,138,908
Total liabilities and net assets	48,166,808	49,361,445

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	26,352,346	26,839,682
Cost of sales	20,007,530	20,365,974
Gross profit	6,344,816	6,473,707
Selling, general and administrative expenses	3,230,070	3,092,629
Operating profit	3,114,746	3,381,078
Non-operating income		
Interest income	20,553	25,306
Dividend income	1,150	1,250
Rental income	27,240	27,240
Other	11,407	11,435
Total non-operating income	60,351	65,232
Non-operating expenses		
Rental costs	12,581	10,762
Other	0	–
Total non-operating expenses	12,581	10,762
Ordinary profit	3,162,516	3,435,549
Extraordinary income		
Gain on sale of non-current assets	976	630
Total extraordinary income	976	630
Extraordinary losses		
Loss on retirement of non-current assets	–	6,052
Total extraordinary losses	–	6,052
Profit before income taxes	3,163,492	3,430,126
Income taxes - current	787,839	751,891
Income taxes - deferred	216,832	343,018
Total income taxes	1,004,671	1,094,910
Profit	2,158,820	2,335,216